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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.
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08/581,992 01/02/96 PELLEGRINO

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EXAMINER

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KAZIMI, H

ART UNIT	PAPER NUMBER
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2765

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DATE MAILED:

08/18/98

**Please find below and/or attached an Office communication concerning this application or proceeding.**

**Commissioner of Patents and Trademarks**

<b>Office Action Summary</b>	Application No. <b>08/581,992</b>	Applicant(s) <b>Frank.Pellegrino, Robert.Fletcher</b>
	Examiner <b>Hani Kazimi</b>	Group Art Unit <b>2765</b>

Responsive to communication(s) filed on Jan 2, 1996

This action is **FINAL**.

Since this application is in condition for allowance except for formal matters, **prosecution as to the merits is closed** in accordance with the practice under *Ex parte Quayle* 35 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire 3 month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

#### Disposition of Claim

Claim(s) 1-19 is/are pending in the application.  
 Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

Claim(s) \_\_\_\_\_ is/are allowed.

Claim(s) 1-19 is/are rejected.

Claim(s) \_\_\_\_\_ is/are objected to.

Claims \_\_\_\_\_ are subject to restriction or election requirement.

#### Application Papers

See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.

The proposed drawing correction, filed on \_\_\_\_\_ is  approved  disapproved.

The specification is objected to by the Examiner.

The oath or declaration is objected to by the Examiner.

#### Priority under 35 U.S.C. § 119

Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

All  Some\*  None of the CERTIFIED copies of the priority documents have been  
 received.  
 received in Application No. (Series Code/Serial Number) \_\_\_\_\_  
 received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\*Certified copies not received: \_\_\_\_\_

Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

#### Attachment(s)

Notice of References Cited, PTO-892  
 Information Disclosure Statement(s), PTO-1449, Paper No(s). \_\_\_\_\_  
 Interview Summary, PTO-413  
 Notice of Draftsperson's Patent Drawing Review, PTO-948  
 Notice of Informal Patent Application, PTO-152

--- SEE OFFICE ACTION ON THE FOLLOWING PAGES ---

**RESPONSE TO AMENDMENT**

1. This action is responsive to the amendment filed on June 2, 1998.

*Status of Claims*

2. Of the original claims 1-18, claims 1, 3-5, 7, 11, 13-14, and 17 have been amended by applicants' amendment filed on June 2, 1998. The same amendment has added claim 19. Therefore, claims 1-19, are under prosecution in this application.

*Summary of this Office Action*

3. Applicants' arguments filed on June 2, 1998 have been fully considered, and discussed in the next section below or within the following rejection under 35 U.S.C. § 103, are not deemed to be persuasive. Therefore, claims 1-18 remain rejected under 35 U.S.C. § 103 as being unpatentable over the prior art previously cited, and further in view of new references cited below.

Claims 19 is rejected under 35 U.S.C. § 103 as being unpatentable over the prior art cited below.

***Response to Applicants' Amendment***

***Specification***

4. The application is objected to as not being in compliance with 37 C.F.R. § 1.77 regarding the required elements of the application. In particular, this application is lacking a section entitled, "Cross-References to Related Application" which should reference copending application No. 08/546,120, filed on 10/20/95.

***Claim Rejections - 35 USC § 101***

5. 35 U.S.C. § 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 1-19, are rejected under 35 U.S.C. § 101 because the claimed invention is directed to a non-statutory subject matter. Specifically the claims are directed towards an abstract idea. Claims 1-19 represent an abstract idea that does not provide a practical application in the technological arts. There is no manipulation of data nor is there any transformation of data from one state to another being performed in "Method for determining the risk associated with licensing or enforcing intellectual property". Actually, there is no post-computer process activity found. "Method for determining the risk associated with licensing or enforcing intellectual

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property" is not a physical transformation. Thus, no physical transformation is performed, and no practical application is found. Such an inputting and arithmetic manipulation of data is insufficient practical application to qualify the invention as disclosed and claimed to patent protection. In re Alappat, 31 U.S.P.Q. 2d @ 1556-57 (not until the concept is reduced to some type of practical application, the subject matter is not entitled to patent protection). Also the claims do not appear to correspond to a specific machine or manufacture disclosed with in the specification and thus encompass any product of the class configured in any manner to perform the underlying process. Consequently, the claims are analyzed based upon the underlying process and thus rejected as being directed to a non-statutory process.

***Double Patenting***

7. Claims 2, 4-5, 8-10, and 13-14, are provisionally rejected under 35 U.S.C. § 101 as claiming the same invention as that of claims 2, 4-6, 8-10, and 13-14 of copending Application No. 08/546,120. This is a provisional double patenting rejection since the conflicting claims have not in fact been patented.

Claim 2, is identical to claim 2 of application No. 08/546,120.

Claim 4, is contained within claim 4 of copending application No. 08/546,120, with the exception that claim 4 of '120 does not recite the limitations of transforming the data, and for

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each category. However, it is obvious to compute a score by transforming data.

Claim 5, is contained within claim 5 of copending application No. 08/546,120, with the exception that claim 5 of '120 does not recite the limitations of modifying a primary risk indicia to calculate said composite score. However, this feature is found in claims 6, and 7 of '120.

Claims 8-10, are contained within claims 8-10 respectively of copending application No. 08/546,120, in that the property being protected is a patent, a copyright, or a trademark.

Claim 13-14, are contained within claims 13-14 respectively of copending application No. 08/546,120, with the exception that claims 13-14 of '120 apply the limitations to the insurance coverage whereas, claims 13-14 of '992 apply a lawsuit. However, it is obvious to apply the same risk factors to determine the risk involved in either commercializing or insuring an intellectual property.

#### *Claim Rejections - 35 USC § 103*

8. The following is a quotation of 35 U.S.C. § 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. The factual inquiries set forth in *Graham v. John Deere Co.*, 148 USPQ 459, that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or unobviousness.

10. Claims 1-7, and 11-19, are rejected under 35 U.S.C. § 103(a) as being unpatentable over DeTore et al. U.S. Patent No. 4,975,840 in view of Harbert T, "Patent enforcement policy Aids Technology transfer.

Claims 1, and 19, DeTore discloses a process for evaluating the strength of a specific intellectual property for purpose of commercializing it comprising the steps of:

interacting with a computer (column 3, lines 63-65);

entering data from one or more sources into said computer, said computer having been pre-programmed such that said data is organized by one or more predetermined risk factors grouped into categories.(column 3, line 63 thru column 4, line 35; and column 5, lines 19-65);

evaluating the data by comparing each risk factor and each category to a preset standard; (column 4, lines 36-53; and column 5, lines 19-39); and

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computing a score by transforming said data into a composite score which represents a relative degree of strength (column 5, lines 57 thru column 6, lines 2).

DeTore fails to teach the claimed step of commercializing said intellectual property.

However Harbert teaches the claimed step for commercializing said intellectual property (page 1, lines 13-29).

Therefore, it would have been obvious to one of ordinary skilled in the art at the time the applicant's invention was made to modify the teachings of DeTore to include the step of commercializing an intellectual property as taught in Harbert, to be able to get protection, and prevent lawsuits.

Claim 2, DeTore teaches the process of entering the data into the computer via telephone from a location other than the location having the computer (column 4, lines 1-4 ).

Claim 3, DeTore teaches the predetermined risk factors are grouped into categories selected from a plurality of categories such as product data, manufacturing data, patent subject (column 4, lines 24-35).

DeTore fails to teach the specifically cited categories in the instant claim.

However, the examiner asserts that the particular categories recited in the claim is merely a design choice, these categories are well known in the environment of intellectual property.

Claims 4, 14, and 18, DeTore teaches the transforming of data is achieved by calculating a

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category score for each category using at least one risk factor (column 1, line 66 thru column 2, line 44).

Claims 5, and 15, DeTore teaches the category score is weighted and combined with other category scores and used to modify a primary risk indicia to calculate said composite score (column 15, lines 60-65; and column 5, line 57 thru column 6, line 2).

Claims 6, and 16, DeTore teaches the composite score is modified by a moral hazard factor to calculate a probable success factor (column 15, line 65 thru column 16, line 12).

Claims 7, and 17, DeTore teaches the probable success factor is multiplied in a post computer step by projected recoveries to determine the net recovery from commercializing the intellectual property (column 15, line 65 thru column 16, line 12).

Claims 11-13, DeTore teaches a process for determining the probable success of a lawsuit comprising the steps of:

interacting with a pre-programmed computer (column 3, lines 63-65);  
entering data from one or more sources into said computer, said computer having been pre-programmed such that said data is organized by predetermined categories (column 3, line 63 thru column 4, line 35; and column 5, lines 19-65);  
evaluating the data by comparing each category to a preset standard; (column 4, lines 36-

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53; and column 5, lines 19-39); and

transforming said data into a composite score which represents a relative degree of strength (column 5, lines 57 thru column 6, lines 2).

Using the composite score to determine a probable success factor (column 15, line 65 thru column 16, line 12).

DeTore fails to teach the claimed step of associating intellectual property with a lawsuit.

However Harbert teaches the claimed step of associating intellectual property with a lawsuit (page 1, lines 16-29).

Therefore, it would have been obvious to one of ordinary skilled in the art at the time the applicant's invention was made to modify the teachings of DeTore to include the step of associating intellectual property with a lawsuit as taught in Harbert to be able to get protection, and prevent lawsuits.

11. Claims 8-10, are rejected under 35 U.S.C. § 103(a) as being unpatentable over DeTore et al. U.S. Patent No. 4,975,840 in view of Harbert T, "Patent enforcement policy Aids Technology transfer, and further in view of Robinson W.J. "Insurance coverage of intellectual property lawsuits in the computer industry".

Claims 8-10, Harbert teaches that the intellectual property to be commercialized is a patent (page 1, lines 21-29).

Both DeTore and Harbert fail to teach that the intellectual property to be commercialized

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is a copyright, or a trademark.

However, Robinson teaches the intellectual property is a copyright, or a trademark (page 22, column 2).

Therefore, it would have been obvious to one of ordinary skilled in the art at the time the applicant's invention was made to modify the teachings of DeTore to include that the intellectual property is a copyright, or a trademark as taught in Robinson to expand the concept of intellectual properties.

#### *Response to Arguments*

12. In the remarks, the applicant has amended the claims in the instant case to over come the examiner's *35 USC101* non-statutory rejection by including specific steps such as transforming data into a composite score, adding a post computer step in claims 7, and 17, and adding a computer step in an added claim 19.

In response, the examiner asserts that the applicant respectfully fails to over come the *35 USC101* non-statutory rejection. The independent claims show insufficient practical application. Specifically, the results (scores) have to correspond to some physical activity external to the system. An additional step or two in the independent claims expressing the physical use of the resulting score, and how is it used in representing a relative degree of strength associated with commercializing intellectual properties should be sufficient to over come the *35 USC101* non-statutory rejection.

13. Applicant's arguments with respect to claims 1-18 have been considered but are moot in view of the new ground(s) of rejection.

*Conclusion*

14. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- a) Minturn et al. US Patent 5,692,501 Dec. 2, 1997. Scientific wellness personal/clinical/laboratory assessments, profile and health risk management system with insurability rankings on cross correlated 10-point optical health/fitness/wellness scales.
- b) Apgar, IV US Patent 5,680,305 Oct. 21, 1997. System and method for evaluating real estate.
- c) Lerner US Patent 5,526,257 Jun. 11, 1996. Product evaluation system.
- d) Force et al. US Patent 5,533,123 Jul. 2, 1996. Programmable distributed personal security.
- e) Sullivan, Deidre "American Banker" Jun. 7, 1994 vol. 159, p 17(1).

15. Any inquiry concerning this statement or earlier statements from the examiner should be directed to Hani Kazimi whose telephone number is (703) 305-1061. The examiner can normally be reached on Monday - Friday from 8:30 to 5:00.

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If attempts to reach the examiner by telephone are unsuccessful, the examiners' supervisor, Allen MacDonlad, can be reached at (703) 305-9708. The fax phone number for this Group is (703) 308-5357.

Any inquiry of a general nature or relating to the status of this application should be directed to the group receptionist whose telephone number is (703) 305-3900.

Hani Kazimi.

August 6, 1998.



ALLEN R. MACDONALD  
SUPERVISORY PATENT EXAMINER